City Council Introduction: **Monday**, August 9, 2004 Public Hearing: **Monday**, August 16, 2004, at **1:30** p.m.

#### **FACTSHEET**

TITLE: A resolution, requested by the Director of the Urban Development Department, declaring the 48<sup>th</sup> & "O" Streets Redevelopment Area as blighted and substandard, as determined by the 48<sup>th</sup> & "O" Streets Blight and Substandard Determination Study. The study area is generally bounded by "M" Street on the south, 48<sup>th</sup> Street on the west, "R" Street on the north and 52<sup>nd</sup> Street on the east.

**STAFF RECOMMENDATION**: A finding that the area is blighted and substandard.

**SPONSOR**: Planning Department

**BOARD/COMMITTEE**: Planning Commission

Public Hearing: 07/21/04 Administrative Action: 07/21/04

**RECOMMENDATION**: A finding that the area is blighted and substandard (8-0: Marvin, Larson, Taylor, Carlson, Krieser, Pearson, Carroll and Bills-Strand voting 'yes'; Sunderman absent).

Bill No. 04R-201

#### **FINDINGS OF FACT**:

- This is a request to determine whether the 48<sup>th</sup> & "O" Streets Redevelopment Area should or should not be declared substandard and blighted. After an area is declared substandard and blighted, the City may proceed with the preparation and approval of a redevelopment plan. Redevelopment activities may include utilizing Tax Increment Financing (TIF) from private development to pay for public infrastructure and improvements.
- 2. The staff recommendation to find the area blighted and substandard, is based upon the "Analysis" as set forth on p.3-6, concluding that the 48<sup>th</sup> & "O" Streets Redevelopment Area qualifies as blighted and substandard within the definition set forth in the Nebraska Community Development Law, as determined by the 48<sup>th</sup> & "O" Streets Blight and Substandard Determination Study. The Blight and Substandard Determination Study is consistent with the redevelopment and revitalization activities identified in the 2025 Comprehensive Plan.
- 3. The Executive Summary of the study is found on p.13-24. The complete study is being provided to the Council under separate cover.
- 4. The presentation by Wynn Hjermstad of the Urban Development Department is found on p.8, and the discussion with the Planning Commission is found on p.9-10.
- 5. There was no testimony in opposition.

REFERENCE NUMBER: FS\CC\2004\MISC.04005

6. On July 21, 2004, the Planning Commission agreed with the staff recommendation and voted 8-0 to find the 48<sup>th</sup> & "O" Streets Redevelopment Area to be blighted and substandard.

| FACTSHEET PREPARED BY: Jean L. Walker | <b><u>DATE</u></b> : August 2, 2004 |
|---------------------------------------|-------------------------------------|
| REVIEWED BY:                          | <b>DATE</b> : August 2, 2004        |

#### LINCOLN CITY/LANCASTER COUNTY PLANNING STAFF REPORT

for July 21, 2004 PLANNING COMMISSION MEETING

P.A.S.: Miscellaneous #04005

48th & "O" Streets Redevelopment Area: Blight and Substandard

Determination Study

**PROPOSAL:** Marc Wullschleger, Director of the Urban Development Department, has

forwarded a request to review the 48<sup>th</sup> & "O" Streets Blight and Substandard Determination Study and to recommend the Redevelopment Area be declared

blighted and substandard.

**CONCLUSION:** The 48<sup>th</sup> & "O" Streets Redevelopment Area qualifies as blighted and

substandard within the definition set forth in the Nebraska Community

Development Law, NEB REV STAT § 18-2103, as determined by the 48<sup>th</sup> & "O" Streets Blight and Substandard Determination Study. The Blight and Substandard Determination Study is consistent with the redevelopment and

revitalization activities identified in 2025 Comprehensive Plan.

**RECOMMENDATION:** 

Finding that the area is blighted and substandard.

#### **GENERAL INFORMATION:**

**LOCATION:** An area generally bounded by "M" Street on the south, 48th Street on the west,

"R" Street on the north, and 52nd Street on the east, comprising of parts of the

South 48th Street and Hartley neighborhoods.

PURPOSE: Nebraska Community Development Law, NEB REV STAT § 18-2109 requires the

Planning Commission to review whether an area is substandard and blighted. A recommendation of the Planning Commission is required to be provided to the

City Council prior to a redevelopment area being declared blighted and

substandard.

**LEGAL DESCRIPTION:** See Appendix.

#### **COMPREHENSIVE PLAN SPECIFICATIONS:**

#### Guiding Principles for the Urban Environment - Overall Form

Maximize the community's present infrastructure investment by planning for residential and commercial development in areas with available capacity. This can be accomplished in many ways including encouraging appropriate new development on unused land in older neighborhoods, and encouraging a greater amount of commercial space per acre and more dwelling units per acre in new neighborhoods. (F 17)

Encourage mixed-use redevelopment, adaptive reuse, and in-fill development including residential, commercial and retail uses. These uses may develop along transit routes and provide residential opportunities for persons who do not want to or cannot drive an automobile. (F 18)

Encourage renovation and reuse of existing commercial centers. Infill commercial development should be compatible with the character of the area and pedestrian oriented. (page F 49)

Maintain and encourage retail establishment and businesses that are convenient to, and serve, neighborhood residents, yet are compatible with, but not intrusive upon residential neighborhoods. (page F 49)

#### **ANALYSIS:**

- 1. This is a request to determine whether the 48<sup>th</sup> & "O" Streets Redevelopment Area should or should not be declared substandard and blighted. After an area is declared substandard and blighted, the City may proceed with the preparation and approval of a Redevelopment Plan. Redevelopment activities may include utilizing Tax Increment Financing (TIF) from private development to pay for public infrastructure and improvements.
- 2. The Redevelopment Area comprises 41.7 acres.
- 3. The Blight and Substandard Determination Study is consistent with revitalization activities outlined in 2025 Comprehensive Plan.
- 4. Public Works Watershed Management reviewed the Blight and Substandard Determination Study and have the following comments: The existing language in the first paragraph of page 28 seems to be mixed up between storm and sanitary sewer (i.e. there are no public storm drain systems that are 8 inches in size). The below text is recommended to replace the storm drain portion of the text. I don't know about the sanitary sewer in this area though (addressed in 2nd paragraph of pg 27, should state sanitary sewer however instead of sewer).

"Overland flow paths of storm drainage in the 48th and "O" Streets Redevelopment Area is also an issue. The majority of the existing drainage was installed in the 1950's and 1960's with mostly reinforced concrete pipe. The drainage along "O" Street was reviewed and in many places replaced with new systems and inlets in the recent widening of "O" Street (2002 - 2004). The current system is mostly of sufficient size to convey the design storm events for which they were constructed. However there is insufficient overland flow capacities during major rainfall events for the sump area on 52nd Street between "O" and "R" Streets. This area floods during major events (most recently 8/28/02 and 7/23/03) and floods structures to the west of this area, and is a major drainage problem in this area. A concept report has been completed for this area with possible alternatives for alleviating some of the flooding."

- 5. There are **two** structures within the Redevelopment Area that are less than 10 years of age, and **three** structures that are less than 20 years of age.
- 6. A consultant was hired by the City of Lincoln to conduct the study to determine whether or not there was a presence of substandard or blighting conditions in the study area.

- 7. A **substandard** area is defined in the Nebraska Revised Statutes as containing a predominance of buildings with the presence of the following **four** conditions:
  - 1. Dilapidation/deterioration
  - 2. Age or obsolescence
  - 3. Inadequate provision for ventilation, light, air, sanitation or open spaces
  - 4. a) High density of population and overcrowding; or
    - b) The existence of conditions which endanger life or property by fire and other causes; or
    - c) Any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime, and is detrimental to the public health, safety, morals or welfare.
- 8. The consultant conducted a detailed exterior structural survey of 25 structures, an interior structural survey of 24 selected structures, a parcel-by-parcel field inventory, interviews with City staff, and a review of pertinent reports and documents in order to determine if substandard conditions were present in the area. There are 25 structures located in the Redevelopment Area.
- 9. The consultant concluded that the area could be considered substandard because three of the four factors were found to be present to a strong extent, and one to a reasonable but less significant extent. The factors were found to be reasonably distributed throughout the study area.
- 10. The factors that were found to be present to a strong extent were:
  - # Dilapidation/ deterioration.
  - # Age or obsolescence.
  - # Conditions which endanger life or property by fire and other causes.

The presence of inadequate ventilation, light, air, sanitation or open spaces was found to a reasonable extent.

- 11. A **blighted** area is defined in the Nebraska Revised Statutes as having the presence of **twelve** conditions:
  - 1. A substantial number of deteriorated or deteriorating structures;
  - 2. Existence of defective or inadequate street layout;
  - 3. Faulty lot layout in relation to size, adequacy, accessibility or usefulness;
  - 4. Insanitary or unsafe conditions;
  - 5. Deterioration of site or other improvements;
  - 6. Diversity of ownership;
  - 7. Tax or special assessment delinquency exceeding the fair value of the land;
  - 8. Defective or unusual conditions of title;
  - 9. Improper subdivision or obsolete platting;
  - 10. The existence of conditions which endanger life or property by fire or other causes:

- 11. Any combination of such factors, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations or constitutes an economic or social liability;
- 12. Is detrimental to the public health, safety, morals, or welfare in its present condition and use; and in which there is at least one of the following conditions:
  - a) Unemployment in the designated blighted area is at least one hundred twenty percent of the state or national average;
  - b) The average age of the residential or commercial units in the area is at least 40 years;
  - c) More than half of the plotted and subdivided property in the area is unimproved land that has been within the City for 40 years and has remained unimproved during that time;
  - d) The per capita income of the designated blighted area is lower than the average per capita income of the city or City in which the area is designated; or
  - e) The area has had either stable or decreasing population based on the last two decennial censuses.
- 12. The area was reviewed to determine if the blighting factors were present to an extent that public intervention was appropriate or necessary, and that the factors were reasonably distributed throughout the study area.
- 13. The consultant determined that **eight** of the blighting factors were present to a strong extent; **two** were present to a reasonable extent; and **two** factors were not present.
- 14. The **eight** blighting factors found to be present to a strong extent were:
  - # Deteriorated or dilapidated structures.
  - # Faulty lot layout.
  - # Insanitary or unsafe conditions.
  - # Deterioration of site or other improvements.
  - # Improper subdivision or obsolete platting.
  - # Existence of conditions which endanger life or property by fire or other causes.
  - # Other environmental and blighting factors.
  - # One of the other five conditions.
- 15. It is the conclusion of the Consultant that the number, degree and distribution of blighting factors, as documented in this Study, are beyond remedy and control solely by regulatory processes in the exercise of the police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the aids provided in the Nebraska Community Development Law. The findings of this Blight and Substandard Determination Study warrant designating the Redevelopment Area as blighted and substandard.

16. A copy of the executive summary of the report is attached. The full report is on file with the Urban Development Department, and the Planning Department.

Prepared by:

Duncan L. Ross, AICP Planner

**DATE:** July 12, 2004

**APPLICANT:** Marc Wullschleger, Director

Urban Development Department.

808 P Street

Lincoln, NE 68508 Phone: 441-7606

**CONTACT:** Wynn Hjermstad

Urban Development Department

808 P Street

Lincoln, NE 68508 Phone: 441-7606

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#### **Legal Description**

#### <u>Appendix</u>

Beginning at a point on the west line of North 48<sup>th</sup> Street which is perpendicular to the north-south midpoint line of Lot 29, JG Miller's Subdivision of Section 20, Township 10 North, Range 7 East of the 6<sup>th</sup> P.M., which point is also the northwest corner of Lancaster County Assessor Parcel 17-20-413-003-000, thence north along the west line of North 48th Street to the northwest corner of the intersection of North 48th Street and "R" Street, thence east along the North line of "R" Street to the northeast corner of the intersection of North 50th Street and "R" Street, thence south along the east line of 50th Street to the southwest corner of Outlot B, Central Park South Addition, thence East along the South line of Outlot B, Central Park South Addition, a distance of 120', thence due south to a point on the north line of Lot G, Burleighs Subdivision, thence due east along the north line of Burleighs Subdivision and continuing due east across 52<sup>nd</sup> Street to a point on the east line of 52<sup>nd</sup> Street, thence due south along the east line of 52<sup>nd</sup> Street to a point on such east line which is perpendicular to the north-south midpoint line of Lot 29 of JG Miller's Subdivision, thence due west to a point perpendicular to the east line of Lot D, Burleighs Subdivision, thence due south and continuing across "O" Street to a point on the North line of Lot 3, Lemings Subdivision, thence due west along said north line to a point on said north line which is 240' east of the west line of said Lot 3, thence due South and continuing across "N" Street to the Northwest corner of Lot 9, Block 1, Stuhr's Park Subdivision, which is also on the south line of "N" Street, thence continuing due west along the south line of "N" Street to the southeast corner of the intersection of "N" Street and 50th Street, thence south along the east line of 52nd Street 80' to a point on said East line, thence due West across 50th Street and continuing due west across Lot 4, Lemings Subdivision to a point 94' south of the northeast corner of Alles Replat, thence northwesterly along the south and west lines of that portion of Lots 3 and 4, Alles Replat, which are included in Lancaster County Assessor's Parcel 17-29-200-016-000 to a point on the north line of Lot 4, Alles Replat, thence west along said north line to the northwest corner of Alles Replat, thence south along the west line of Alles Replat to a point on the north line of "M" Street, thence west along the north line of "M" Street and across 48th Street to the northwest corner of the intersection of "M" Street and 48th Street, thence north along the west line of 48th Street, across "O" Street, and continuing on the west line of north 48th Street to a point on the west line of 48<sup>th</sup> Street perpendicular to the point of beginning.

## MISCELLANEOUS NO. 04005 48<sup>TH</sup> AND "O" STREETS REDEVELOPMENT AREA BLIGHT AND SUBSTANDARD DETERMINATION

#### **PUBLIC HEARING BEFORE PLANNING COMMISSION:**

July 21, 2004

Members present: Marvin, Larson, Carlson, Krieser, Pearson, Taylor, Carroll and Bills-Strand; Sunderman absent.

<u>Staff recommendation</u>: A finding that the area is blighted and substandard.

Ex Parte Communications: None.

#### **Proponents**

1. Wynn Hjermstad of the Urban Development Department presented the proposal for blight and substandard determination for the 48<sup>th</sup> and O Street Redevelopment Area. The criteria for identifying an area as blighted and substandard is strictly spelled out in state statutes.

The Mayor and Urban Development Department have received a lot of calls about doing something to this area since all of the car dealers have moved out. It is a very visible location. It's current condition does not reflect well on the city. Thus, the Mayor directed the Urban Development Department to have the blight study done.

After Planning Commission, this determination will go to the City Council. If the City Council ultimately declares the area as blighted and substandard, the next step is to prepare a redevelopment plan. This cannot be done until the area is declared blighted and substandard. It is after the redevelopment plan is prepared that RFP's are extended and a developer or developers are selected to do projects on the site. At this point, Urban Development does not know what is planned for the area. There are no specifics at this time, but they do have some general ideas. Obviously, it will not be a single family location, but rather some sort of commercial redevelopment project. Mixed use would be desirable. There has been some developer interest, primarily on the north side of O Street, but nothing specific.

Hjermstad advised that Urban Development has had conversations with the Witherbee Neighborhood Association, which abuts on the south side. Urban Development acknowledges that there are concerns and will continue to work with the neighborhood to address their concerns, such as lighting and incompatible land uses. Urban Development has also met with a number of the property owners.

Hjermstad submitted a revised zoning map correcting an error on the map that was submitted to the Planning Commission.

Bills-Strand expressed continued frustration about getting these larger volume projects and trying to work through them in a short time. Is this only a blight study and absolutely no

recommendation or zoning changes? Hjermstad concurred that it is just the determination of blighted and substandard – nothing else.

Larson pointed to page 34 of the study which discusses a conflict for pedestrian traffic. Hjermstad believes that is referring to the uses that are already there, such as Super Saver and Target. There is no specific developer nor specific businesses at this time.

Marvin inquired how the boundaries for the redevelopment area were chosen. Why was the decision made to extend into the R-2 area? Hjermstad explained that one of the R-2 areas is vacant and provides a buffer to a residential area, and the other R-2 zoning is a parking lot. They chose to extend into the R-2 zoning to insure the buffer to the residential area continues. The ownership is another reason.

Marvin inquired whether the Doane College building is included in the redevelopment area. Hjermstad confirmed that the Doane College building is included. There is a big drainage ditch back there. Public Works is in the process of doing a large study in that area as well, so all of those buildings back there are impacted by the drainage.

Marvin asked for an explanation of the meaning of the word "blighted" as a lot of people get the impression we are talking about dilapidated buildings and run-down areas of town. Also, why are Schaefers and Armstrongs included? Hjermstad explained that it (blighted) really is a good thing because it is what enables Urban Development to do a redevelopment plan. The reason is to redevelop the area and it opens the door to creating TIF districts which is how the improvements are financed. It can be land acquisition and land assembly, but the TIF funds can also be used to help pay for the drainage issues. It often includes some kind of streetscape projects, and sidewalks and alleys. Armstrongs and Schaefers could benefit from having those kinds of improvements made in the area.

Larson believes that the TIF clause is restrictive. Hjermstad indicated that it is primarily land assembly, relocation of tenants or property owners and then it is all public right-of-way. We do not do any building of buildings. We don't do anything that is considered private. We can do land acquisition, site preparation, utility work, lighting, burying overhead lines, clearing the site, demolition, environmental assessments, etc. She further explained that the TIF funds do not have to follow the redevelopment area boundaries. Although, when we determine the boundary of the TIF district, we do need to look at cost/benefit, so it is likely that it could be a larger area.

Bills-Strand inquired whether all of the property owners were notified of this action. Rick Peo of City Law Department advised that the statute does not require individual property owner notification. There is case law that the property owner does not have a right to maintain or have a blighted designation removed. This is the characterization of an area. It is an overall evaluation of an area and it's only function and purpose is to allow for future events such as redevelopment plans to allow redevelopment to occur and utilize TIF funds in that area that has been declared blighted and substandard. It does not have a negative effect on tax assessments. There is an area in the statute that requires that certain abutting areas be advised of the situation, primarily for schools and education type things because the designation will potentially affect how tax dollars are allocated.

As far as public involvement, Hjermstad stated that there is no public involvement in the blight study because the factors that have to be considered and the criteria are strictly spelled out in state statute. There is no process for involvement because objective factors are being evaluated. The redevelopment plan is different and we do go out and get involvement in the area.

Bills-Strand inquired whether the businesses will be involved in the redevelopment plan. Hjermstad assured that they would be, and Urban Development has talked to a number of them already.

Hjermstad further explained that Lincoln has a very high standard when it comes to being defensible in court. All of the properties had to be surveyed in this study. Even when we do a random sample, we hire a research firm that does the statistical analysis. Peo added that it is an effort to look at the overall district and reasonable boundaries to accomplish a purpose.

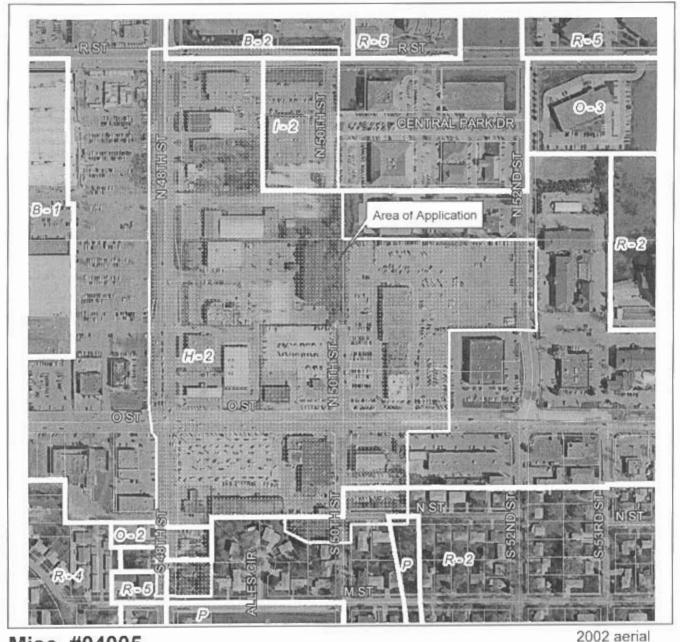
Marvin inquired whether this gives the city any added condemnation authority. Peo stated that blighting does not do that at all. The redevelopment plan allows condemnation proceedings but it must be specifically provided for.

There was no testimony in opposition.

#### **ADMINISTRATIVE ACTION BY PLANNING COMMISSION:**

July 21, 2004

Larson moved a finding of blighted and substandard, seconded by Taylor and carried 8-0: Marvin, Larson, Taylor, Carlson, Krieser, Pearson, Carroll and Bills-Strand voting 'yes'; Sunderman absent. This is a recommendation to the City Council.



2002 8

### Misc. #04005 48th & 'O' St. Blight Study

Zoning:

R-1 to R-8Residential District AG Agricultural District Agricultural Residential District AGR Residential Convervation District R-C 0-1 Office District Suburban Office District 0-2 0-3 Office Park District Residential Transition District B.1 Local Business District Planned Neighborhood Business District 8-2

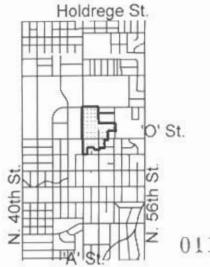
B-3 Commercial District
B-4 Lincom Center Business District
B-5 Planned Regional Business District
Inferstate Commercial District
H-2 Highway Summercial District
H-3 Highway Commercial District

H-4 General Commercial District
I-1 Industrial District
I-2 Industrial Park District
I-3 Employment Center District
Public User District

Two Square Mile Sec. 22 T10N R7E Sec. 29 T10N R7E







Lincoln City - Lancaster County Planning Ce



To: Duncan L Ross/Notes@Notes

cc: Devin L Blesecker/Notes@Notes, liha@jeo.com

Subject: 48th and O Blight Area comments, Application # Misc 04005

#### Duncan

I've reviewed MISC 04005, Blight Study for 48th and O and have the following comments:

- The existing verbage in the first paragraph of pg 28 seems to be mixed up between storm and sanitary sewer (i.e. there are no public storm drain systems that are 8 inches in size). The below text is recommended to replace the storm drain portion of the text. I don't know about the sanitary in this area though (addressed somewhat in 2nd paragraph of pg 27, should state sanitary sewer however instead of sewer).

"Overland flow paths of storm drainage in the 48th and "O" Streets Redevelopment Area is also an issue. The majority of the existing drainage was installed in the 1950's and 1960's with mostly reinforced concrete pipe. The drainage along "O" Street was reviewed and in many places replaced with new systems and inlets in the recent widening of "O" Street (2002 - 2004). The current system is mostly of sufficient size to convey the design storm events for which they were constructed. However there is insufficient overland flow capacities during major rainfall events for the sump area on 52nd Street between "O" and "R" Streets. This area floods during major events (most recently 8/28/02 and 7/23/03) and floods structures to the west of this area, and is a major drainage problem in this area. A concept report has been completed for this area with possible alternatives for alleviating some of the flooding."

Thanks

Ben Higgins Watershed Management City of Lincoln Public Works 441-7589

#### BLIGHT AND SUBSTANDARD DETERMINATION STUDY

#### EXECUTIVE SUMMARY

#### Purpose of Study/Conclusion

The purpose of this Study is to determine whether all or part of the designated 48<sup>th</sup> & "O" Streets Redevelopment Area, in Lincoln, Nebraska, qualifies as a blighted and substandard area within the definition set forth in the Nebraska Community Development Law, Section 18-2103.

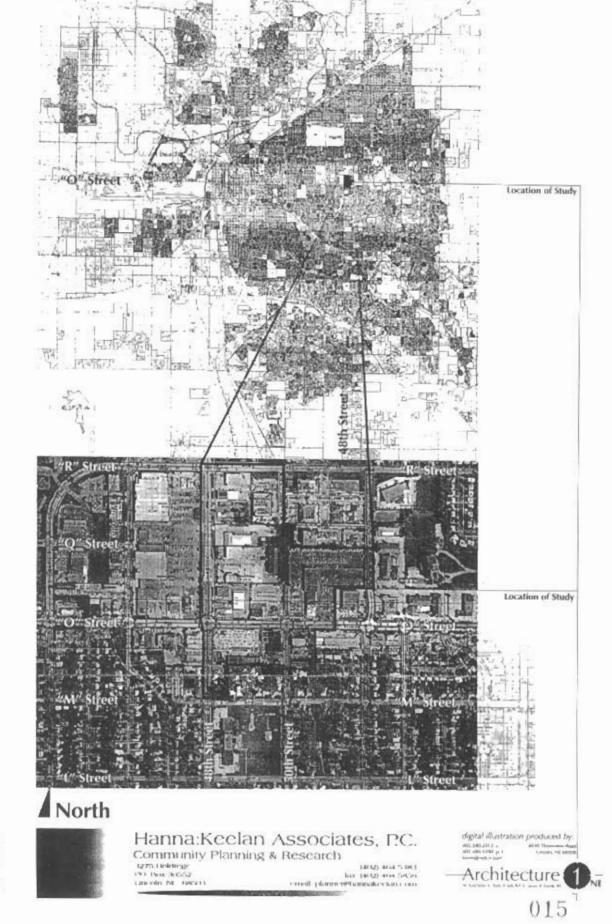
The findings presented in this Blight and Substandard Determination Study are based on surveys and analyses conducted for the 48<sup>th</sup> & "O" Streets Redevelopment Area, referred to as the Redevelopment Area. Illustration 1 delineates the Area in relation to the City of Lincoln.

An area located in the City of Lincoln, Lancaster County, Nebraska, described as follows: Beginning at a point on the west line of North 48th Street which is perpendicular to the north-south midpoint line of Lot 29. JG Miller's Subdivision of Section 20, Township 10 North, Range 7 East of the 6th P.M., which point is also the northwest corner of Lancaster County Assessor Parcel 17-20-413-003-000, thence north along the west line of North 48th Street to the northwest corner of the intersection of North 48th Street and "R" Street, thence east along the North line of "R" Street to the northeast corner of the intersection of North 50th Street and "R" Street, thence south along the east line of 50th Street to the southwest corner of Outlot B, Central Park South Addition, thence East along the South line of Outlot B, Central Park South Addition, a distance of 120', thence due south to a point on the north line of Lot G. Burleighs Subdivision, thence due east along the north line of Burleighs Subdivision and continuing due east across 52<sup>nd</sup> Street to a point on the east line of 52<sup>nd</sup> Street, thence due south along the east line of 52<sup>nd</sup> Street to a point on such east line which is perpendicular to the north-south midpoint line of Lot 29 of JG Miller's Subdivision, thence due west to a point perpendicular to the east line of Lot D, Burleighs Subdivision, thence due south and continuing across "O" Street to a point on the North line of Lot 3, Lemings Subdivision, thence due west along said north line to a point on said north line which is 240' east of the west line of said Lot 3, thence due South and continuing across "N" Street to the Northwest corner of Lot 9, Block 1, Stuhr's Park Subdivision, which is also on the south line of "N" Street, thence continuing due west along the south line of "N" Street to the southeast corner of the intersection of "N" Street and 50th Street, thence south along the east line of 52nd Street 80' to a point on said East line, thence due West across 50th Street and continuing due west across Lot 4. Lemings Subdivision to a point 94' south of the northeast corner of Alles Replat, thence northwesterly along the south and west lines of that portion of Lots 3 and 4.



Alles Replat, which are included in Lancaster County Assessor's Parcel 17-29-200-016-000 to a point on the north line of Lot 4, Alles Replat, thence west along said north line to the northwest corner of Alles Replat, thence south along the west line of Alles Replat to a point on the north line of "M" Street, thence west along the north line of "M" Street and across 48th Street to the northwest corner of the intersection of "M" Street and 48th Street, thence north along the west line of 48th Street, across "O" Street, and continuing on the west line of north 48th Street to a point on the west line of 48th Street perpendicular to the point of beginning.





#### SUBSTANDARD AREA

As set forth in the Nebraska legislation, a substandard area shall mean one which there is a predominance of buildings or improvements, whether nonresidential or residential in character, which by reason of the presence of:

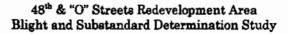
- 1. Dilapidated/deterioration;
- 2. Age or obsolescence:
- 3. Inadequate provision for ventilation, light, air, sanitation or open spaces;
- 4. (a) High density of population and overcrowding; or
  - (b) The existence of conditions which endanger life or property by fire and other causes; or
  - (c) Any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, and crime, and is detrimental to the public health, safety, morals or welfare.

This evaluation included a detailed exterior structural survey of 25 structures, an interior structural survey of 24 of the total 25 structures, a parcel-by-parcel field inventory, conversations with pertinent City of Lincoln department staff and a review of available reports and documents containing information which could substantiate the existence of substandard conditions.

#### BLIGHTED AREA

As set forth in the Section 18-2103 (11) Nebraska Revised Statutes (Cumulative Supplement 1994), a blighted area shall mean "an area, which by reason of the presence of:

- 1. A substantial number of deteriorated or deteriorating structures;
- Existence of defective or inadequate street layout;
- 3. Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- 4. Insanitary or unsafe conditions;
- 5. Deterioration of site or other improvements;
- Diversity of ownership;



- Tax or special assessment delinquency exceeding the fair value of the land;
- 8. Defective or unusual conditions of title:
- 9. Improper subdivision or obsolete platting;
- The existence of conditions which endanger life or property by fire or other causes;
- 11. Any combination of such factors, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations or constitutes an economic or social liability; and
- 12. Is detrimental to the public health, safety, morals or welfare in its present condition and use; and in which there is at least one or more of the following conditions exists;
  - Unemployment in the study or designated blighted area is at least one hundred twenty percent of the state or national average;
  - 2. The average age of the residential or commercial units in the area is at least 40 years;
  - 3. More than half of the plotted and subdivided property in an area is unimproved land that has been within the city for 40 years and has remained unimproved during that time;
  - 4. The per capita income of the study or designated blighted area is lower than the average per capita income of the city or village in which the area is designated; or
  - 5. The area has had either stable or decreasing population based on the last two decennial censuses."

While it may be concluded the mere presence of a majority of the stated factors may be sufficient to make a finding of blighted and substandard, this evaluation was made on the basis that existing blighted and substandard factors must be present to an extent which would lead reasonable persons to conclude <u>public intervention</u> is appropriate or necessary to assist with any development or redevelopment activities. Secondly, the distribution of blighted and substandard factors throughout the Redevelopment Area must be reasonably distributed so basically good areas are not arbitrarily found to be blighted simply because of proximity to areas which are blighted.



On the basis of this approach, the Redevelopment Area is found to be eligible as "blighted" and "substandard", within the definition set forth in the legislation. Specifically:

#### SUBSTANDARD FACTORS

Of the four factors set forth in the Nebraska Community Development Law, three in the Redevelopment Area, are found to be present to a strong extent, while one is present to a reasonable, but less significant extent.

The substandard factors present are reasonably distributed throughout the Redevelopment Area. The factors determined to have a strong presence are dilapidated/deteriorating structures, age or obsolescence of structures and the existence of conditions which endanger life or property by fire and other causes. The inadequate provision for ventilation, light, air, sanitation or open spaces, was determined to have a reasonable presence of substandardness.

# TABLE 1 SUBSTANDARD FACTORS 48<sup>TH</sup> & "O" STREETS REDEVELOPMENT AREA LINCOLN, NEBRASKA

| 1. | Dilapidated/deterioration.  |               | O |
|----|---|---------------|---|
| 2. | Age or obsolescence.  |               |   |
| 3. | Inadequate provision for ventilation, sanitation or open spaces.          | , light, air, | • |
| 4. | Existence of conditions which endanger property by fire and other causes. | ger life or   | • |
|    | Strong Presence of Factor   | •             |   |
|    | Reasonable Presence of Factor   |               |   |
|    | No Presence of Factor   | 0             |   |
| S  | Anna Hanna Kaslan Assasiaton B.C. 2003                                    |               |   |

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#### STRONG PRESENCE OF FACTOR -

The field study method used to analyze exterior building conditions determined that twelve, or 48 percent of the 25 total structures, in the Redevelopment Area, are deteriorating or dilapidated. Additionally, interior examination of 24 of the total 25 structures confirmed that 10 structures, or 41.7 percent of the structures, were deteriorating or dilapidated. This factor is a strong presence throughout the Redevelopment Area.

Based on the results of a parcel-by-parcel field analysis, approximately 14 (56.0 percent) of the total 25 structures within the Redevelopment Area are 40+ years of age (built prior to 1964). The factor of age or obsolescence is a strong presence in the Redevelopment Area.

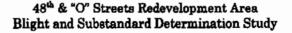
The parcel-by-parcel field analysis also determined that the substandard factor existence of conditions which endanger life or property by fire and other causes was a strong presence throughout the Redevelopment Area. The primary contributing factors include masonry buildings with wood frame components and areas of insufficient water pressure for fire protection.

#### REASONABLE PRESENCE OF FACTOR -

The conditions which result in *inadequate provision for ventilation*, *light*, *air*, *sanitation or open space* is reasonably present and distributed throughout the Redevelopment Area.

The prevailing substandard conditions evident in buildings and the public infrastructure, as determined by the field survey, include:

- 1. Dilapidated/deteriorated structures;
- 2. Aging structures;
- Fair to poor site conditions;
- 4. Aging of underground utilities;
- 5. Frame buildings and wood structural components in masonry buildings as potential fire hazards; and
- 6. Deteriorating sidewalks and streets.



#### BLIGHT FACTORS

Of the 12 factors set forth in the Nebraska Community Development Law, eight are present to a strong extent, in the Redevelopment Area, and two are present to a reasonable, but more limited extent. The factors of tax or special assessment exceeding the fair value of land and defective or unusual condition of title were determined not to be blighted factors. The blighting factors, which are present, are reasonably distributed throughout the 48th & "O" Streets Redevelopment Area.

### TABLE 2 48<sup>TH</sup> & "O" STREETS REDEVELOPMENT AREA BLIGHT FACTORS

| 1.          | A substantial number of deteriorated or deteriorating structures.                       | • |
|-------------|---|---|
| 2.          | Existence of defective or inadequate street layout.                                     | • |
| 3.          | Faulty lot layout in relation to size, adequacy, accessibility or usefulness.           |   |
| 4.          | Insanitary or unsafe conditions.  |   |
| 5.          | Deterioration of site or other improvements.  | • |
| 6.          | Diversity of Ownership.   |   |
| 7.          | Tax or special assessment exceeding the fair value of land.                             | o |
| 8.          | Defective or unusual condition of title.  | 0 |
| 9.          | Improper subdivision or obsolete platting.  |   |
| 10.         | The existence of conditions which endanger life or property by fire or other causes.    |   |
| 11.         | Other environmental and blighting factors.  |   |
| <b>12</b> . | One of the other five conditions.   | • |
|             | Strong Presence of Factor Reasonable Presence of Factor Little or No Presence of Factor |   |

Source: Hanna: Keelan Associates, P.C., 2003

48th & "O" Streets Redevelopment Area Blight and Substandard Determination Study

#### STRONG PRESENCE OF FACTOR -

Deteriorated or dilapidated structures are a strong presence in the Redevelopment Area. A total of 48 percent of the 25 structures were found to be deteriorated or dilapidated, from the exterior analysis, and 41.7 percent from the interior analysis.

Faulty lot layout exists to a strong extent throughout the Redevelopment Area. Conditions contributing to the presence of this factor include inadequate lot size, limited pedestrian circulation and lack of planned open space.

Insanitary or unsafe conditions are strongly present throughout the Redevelopment Area. Contributing factors include age of structures and frame structural members of buildings.

Deterioration of site or other improvements are a strong presence throughout the Redevelopment Area. A significant number and percentage of parcels in the Area have fair to poor overall site conditions. Deteriorating infrastructure also contributes to the strong presence of this factor.

Improper subdivision or obsolete platting is a strong presence throughout the Redevelopment Area. Generally, lot sizes are too small for efficient development, based on today's planning standards. Several blocks have been reconfigured by meets and bounds descriptions, in the absence of individually platted lots, especially along 48<sup>th</sup> Street, between "M" and "R".

The existence of conditions which endanger life or property by fire or other causes is strongly present throughout the Redevelopment Area.

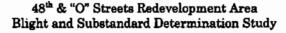
In regards to other environmental and blighting factors, the presence of economically and socially undesirable land uses is strong throughout the Redevelopment Area.

One of the required five additional blight factors have a strong presence throughout the Redevelopment Area. According to the field analysis, the average age of commercial (1971 or 33+ years) and residential (1942 or 61+years) buildings, within the Redevelopment Area, are 40+ years of age (built prior to 1964).

#### REASONABLE PRESENCE OF FACTOR -

Defective or inadequate street layout is reasonably present, due to a significant amount of streets and alleys exhibiting fair to poor conditions.

Diversity of ownership is reasonably present throughout the Redevelopment Area, with 11 total owners.



#### Conclusion

It is the conclusion of the Consultant retained by the City of Lincoln that the number, degree and distribution of blighting factors, as documented in this Study, are beyond remedy and control solely by regulatory processes in the exercise of the police power and cannot be dealt with effectively by the ordinary operations of private enterprise without the aids provided in the Nebraska Community Development Law. It is also the opinion of the Consultant, that the findings of this Blight and Substandard Determination Study warrant designating the Redevelopment Area as "substandard" and "blighted."

The conclusions presented in this Study are those of the Consultant engaged by the City of Lincoln to examine whether conditions of blight/substandard exist. The local governing body should review this report and, if satisfied with the summary of findings contained herein, may adopt a resolution making a finding of blight/substandard and this Study a part of the public record.



#### BASIS FOR REDEVELOPMENT

For a project in Lincoln to be eligible for redevelopment under the Nebraska Community Development Law, the subject area or areas must first qualify as both a "substandard" and "blighted" area, within the definition set forth in the Nebraska Community Development Law. This Study has been undertaken to determine whether conditions exist which would warrant designation of the Redevelopment Area as a "blighted and substandard area" in accordance with provisions of the law.

As set forth in Section 18-2103 (10) Neb. Rev. Stat. (Cumulative Supplement 1994), substandard area shall mean an area in which there is a predominance of buildings or improvements, whether nonresidential or residential in character, which by reason of the following:

- 1. Dilapidation/deterioration:
- 2. Age or obsolescence;
- 3. Inadequate provision for ventilation, light, air, sanitation or open spaces;
- 4. (a) High density of population and overcrowding; or
  - (b) The existence of conditions which endanger life or property by fire and other causes; or
  - (c) Any combination of such factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency and crime, and is detrimental to the public health, safety, morals or welfare.

As set forth in the Nebraska legislation, a blighted area shall mean an area, which by reason of the presence of:

- 1. A substantial number of deteriorated or deteriorating structures;
- Existence of defective or inadequate street layout;
- 3. Faulty lot layout in relation to size, adequacy, accessibility or usefulness;
- Insanitary or unsafe conditions;
- 5. Deterioration of site or other improvements;
- Diversity of ownership;
- 7. Tax or special assessment delinquency exceeding the fair value of the land;
- 8. Defective or unusual conditions of title;

48<sup>th</sup> & "O" Streets Redevelopment Area Blight and Substandard Determination Study

- 9. Improper subdivision or obsolete platting;
- The existence of conditions which endanger life or property by fire or other causes;
- 11. Any combination of such factors, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations or constitutes an economic or social liability:
- 12. Is detrimental to the public health, safety, morals, or welfare in its present condition and use; and in which there is at least one of the following conditions:
  - 1. Unemployment in the designated blighted area is at least one hundred twenty percent of the state or national average:
  - 2. The average age of the residential or commercial units in the area is at least 40 years;
  - 3. More than half of the plotted and subdivided property in the area is unimproved land that has been within the city for 40 years and has remained unimproved during that time;
  - 4. The per capita income of the designated blighted area is lower than the average per capita income of the city or village in which the area is designated; or
  - 5. The area has had either stable or decreasing population based on the last two decennial censuses."

The Consultant for the 48th & "O" Streets Redevelopment Area Blight and Substandard Determination Study was guided by the premise that the finding of blight and substandard must be defensible and sufficient evidence of the presence of factors should exist so members of the Lincoln City Council (local governing body), acting as reasonable and prudent persons, could conclude <u>public intervention</u> is necessary or appropriate. Therefore, each factor was evaluated in the context of the extent of its presence and the collective impact of all factors found to be present.

Also, these deficiencies should be reasonably distributed throughout the Redevelopment Area. Such a "reasonable distribution of deficiencies test" would preclude localities from taking concentrated areas of blight and expanding them arbitrarily into non-blighted areas for planning or other reasons. The only exception which should be made to this rule is where projects must be brought to a logical boundary to accommodate new development and ensure accessibility, but even in this instance, the conclusion of such areas should be minimal and related to an area otherwise meeting the reasonable distribution of deficiencies test.